



General Assembly

Substitute Bill No. 176

February Session, 2022



AN ACT CONCERNING CLEAN ENERGY TARIFF PROGRAMS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (2) of subsection (a) of section 16-244z of the
2 2022 supplement to the general statutes is repealed and the following is
3 substituted in lieu thereof (*Effective October 1, 2022*):

4 (2) Not later than July 1, 2022, and annually thereafter, each electric
5 distribution company shall solicit and file with the Public Utilities
6 Regulatory Authority for its approval one or more projects selected
7 resulting from any procurement issued pursuant to subdivision (1) of
8 this subsection that are consistent with the tariffs approved by the
9 authority pursuant to subparagraphs (B) and (C) of subdivision (1) of
10 this subsection and that are applicable to (A) customers that own or
11 develop new generation projects on a customer's own premises that are
12 less than [two] five megawatts in size, serve the distribution system of
13 the electric distribution company, are constructed after the solicitation
14 conducted pursuant to subdivision (4) of this subsection to which the
15 customer is responding, and use a Class I renewable energy source that
16 either (i) uses anaerobic digestion, or (ii) has emissions of no more than
17 0.07 pounds per megawatt-hour of nitrogen oxides, 0.10 pounds per
18 megawatt-hour of carbon monoxide, 0.02 pounds per megawatt-hour of
19 volatile organic compounds and one grain per one hundred standard

20 cubic feet, (B) customers that own or develop new generation projects
21 on a customer's own premises that are less than [two] five megawatts in
22 size, serve the distribution system of the electric distribution company,
23 are constructed after the solicitation conducted pursuant to subdivision
24 (4) of this subsection to which the customer is responding, and use a
25 Class I renewable energy source that emits no pollutants, and (C)
26 customers that own or develop new generation projects that are a shared
27 clean energy facility, [as defined in section 16-244x, and subscriptions,
28 as defined in such section, associated with such facility,] consistent with
29 the program requirements developed pursuant to subparagraph (C) of
30 subdivision (1) of this subsection. For purposes of this section, "shared
31 clean energy facility" means a Class I renewable energy source, as
32 defined in section 16-1, that (i) is served by an electric distribution
33 company, as defined in section 16-1, (ii) is within the same electric
34 distribution company service territory as the individual billing meters
35 for subscriptions, (iii) has a nameplate capacity rating of five megawatts
36 or less, and (iv) has at least two subscribers. Any project that is eligible
37 pursuant to subparagraph (C) of this subdivision shall not be eligible
38 pursuant to subparagraph (A) or (B) of this subdivision.

39 Sec. 2. Subdivisions (6) and (7) of subsection (a) of section 16-244z of
40 the 2022 supplement to the general statutes are repealed and the
41 following is substituted in lieu thereof (*Effective October 1, 2022*):

42 (6) The program requirements for shared clean energy facilities
43 developed pursuant to subparagraph (C) of subdivision (1) of this
44 subsection shall include, but not be limited to, the following:

45 (A) The department shall allow cost-effective projects of various
46 nameplate capacities that may allow for the construction of multiple
47 projects in the service area of each electric distribution company that
48 operates within the state.

49 (B) The department shall determine the billing credit for any
50 subscriber of a shared clean energy facility that may be issued through
51 the electric distribution companies' monthly billing systems, and

52 establish consumer protections for subscribers and potential subscribers
53 of such a facility, including, but not limited to, disclosures to be made
54 when selling or reselling a subscription.

55 (C) Such program shall utilize one or more tariff mechanisms with
56 the electric distribution companies for a term not to exceed twenty years,
57 subject to approval by the Public Utilities Regulatory Authority, to pay
58 for the purchase of any energy products and renewable energy
59 certificates produced by any eligible shared clean energy facility, or to
60 deliver any billing credit of any such facility.

61 (D) The department shall limit subscribers to (i) low-income
62 customers, (ii) moderate-income customers, (iii) small business
63 customers, (iv) state or municipal customers, (v) commercial customers,
64 and (vi) residential customers who can demonstrate, pursuant to criteria
65 determined by the department in the program requirements
66 recommended by the department and approved by the authority, that
67 they are unable to utilize the tariffs offered pursuant to subsection (b) of
68 this section.

69 (E) The department shall require that (i) not less than [ten] twenty per
70 cent of the total capacity of each shared clean energy facility is sold,
71 given or provided to low-income customers, and (ii) [in addition to the
72 requirement of clause (i) of this subparagraph,] not less than [ten] sixty
73 per cent of the total capacity of each shared clean energy facility is sold,
74 given or provided to low-income customers, moderate-income
75 customers or low-income service organizations.

76 (F) The department may allow preferences to projects that serve low-
77 income customers and shared clean energy facilities that benefit
78 customers who reside in environmental justice communities.

79 (G) The department may create incentives or other financing
80 mechanisms to encourage participation by low-income customers.

81 (H) The department may require that not more than fifty per cent of
82 the total capacity of each shared clean energy facility is sold to

83 commercial customers.

84 (7) For purposes of this subsection:

85 (A) "Environmental justice community" has the same meaning as
86 provided in subsection (a) of section 22a-20a;

87 (B) "Low-income customer" means an in-state retail end user of an
88 electric distribution company (i) whose income does not exceed [eighty]
89 sixty per cent of the [area] state median income, [as defined by the
90 United States Department of Housing and Urban Development,]
91 adjusted for family size, or (ii) that is an affordable housing facility; [as
92 defined in section 8-39a;]

93 (C) "Low-income service organization" means a for-profit or
94 nonprofit organization that provides service or assistance to low-income
95 individuals;

96 (D) "Moderate-income customer" means an in-state retail end user of
97 an electric distribution company whose income is between eighty per
98 cent and one hundred per cent of the area median income as defined by
99 the United States Department of Housing and Urban Development,
100 adjusted for family size.

101 Sec. 3. Subparagraph (A) of subdivision (1) of subsection (c) of section
102 16-244z of the 2022 supplement to the general statutes is repealed and
103 the following is substituted in lieu thereof (*Effective October 1, 2022*):

104 (c) (1) (A) The aggregate total megawatts available to all customers
105 utilizing a procurement and tariff offered by electric distribution
106 companies pursuant to subsection (a) of this section shall be up to
107 eighty-five megawatts in year one and increase by up to an additional
108 [eighty-five] one hundred sixty megawatts per year in each of the years
109 two through six of such a tariff, provided the total megawatts available
110 to customers eligible under subparagraph (A) of subdivision (2) of
111 subsection (a) of this section shall not exceed ten megawatts per year,
112 the total megawatts available to customers eligible under subparagraph

113 (B) of subdivision (2) of subsection (a) of this section shall not exceed
114 [fifty] one hundred megawatts per year and the total megawatts
115 available to customers eligible under subparagraph (C) of subdivision
116 (2) of subsection (a) of this section shall not exceed [twenty-five] fifty
117 megawatts per year. The authority shall monitor the competitiveness of
118 any procurements authorized pursuant to subsection (a) of this section
119 and may adjust the annual purchase amount established in this
120 subsection or other procurement parameters to maintain
121 competitiveness. Any megawatts not allocated in any given year shall
122 [not] roll into the next year's available megawatts. The obligation to
123 purchase energy and renewable energy certificates shall be apportioned
124 to electric distribution companies based on their respective distribution
125 system loads, as determined by the authority.

126 Sec. 4. Section 16-244z of the 2022 supplement to the general statutes
127 is amended by adding subsection (f) as follows (*Effective October 1, 2022*):

128 (NEW) (f) Notwithstanding the size-to-load provisions of
129 subdivision (4) of subsection (a) of this section, the entire rooftop space
130 of a customer's own premises developed pursuant to subparagraph (B)
131 of subdivision (1) of subsection (a) of this section and owned by a
132 commercial or industrial customer may be used for purposes of
133 electricity generation and participation in the solicitation conducted by
134 each electric distribution company pursuant to subdivision (4) of
135 subsection (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2022</i>	16-244z(a)(2)
Sec. 2	<i>October 1, 2022</i>	16-244z(a)(6) and (7)
Sec. 3	<i>October 1, 2022</i>	16-244z(c)(1)(A)
Sec. 4	<i>October 1, 2022</i>	16-244z

ET Joint Favorable Subst.